

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NOS. 2017-207-E, 2017-305-E, AND 2017-370-E

IN RE:

Friends of the Earth and Sierra Club,

Complainants/Petitioners,

v.

South Carolina Electric & Gas Company,

Defendant/Respondent.

IN RE:

Request of the Office of Regulatory Staff for
Rate Relief to South Carolina Electric & Gas
Company's Rates Pursuant to S.C. Code Ann.
§ 58-27-920.

SCE&G'S REQUEST FOR LEAVE TO
DEPOSE CERTAIN INDIVIDUALS

IN RE:

Joint Application and Petition of South
Carolina Electric & Gas Company and
Dominion Energy, Inc., for review and
approval of a proposed business combination
between SCANA Corporation and Dominion
Energy, Inc., as may be required, and for a
prudency determination regarding the
abandonment of the V.C. Summer Units 2 & 3
Project and associated customer benefits and
cost recovery plan.

South Carolina Electric & Gas Company ("SCE&G"), by and through the undersigned
counsel and pursuant to 10 S.C. Code of Reg. Ann. R. 103-834, hereby asks the Public Service

Commission of South Carolina (the “Commission”) for leave to take the testimony of the following individuals by deposition. Individuals involved are all current or former officers, employees or experts employed by the South Carolina Office of Regulatory Staff’s (“ORS”), were directly involved with discussions with ORS concerning the matters at issue here, or were listed by ORS as individuals with knowledge of the facts at issue in these proceedings.

SCE&G seeks to take the depositions of these individuals to establish factual matters which are of critical importance in each of these three dockets. In each of these dockets, ORS or other parties have asserted or are anticipated to assert claims related to ORS’s purported ignorance of the issues, challenges and obstacles faced by SCE&G’s new nuclear construction project (the “Project” or the “NND Project”) until after the bankruptcy filing by Westinghouse Electric Company, LLC (“Westinghouse.”) in May of 2017. ORS has alleged and other parties are anticipated to assert that SCE&G should be penalized for failing to disclose these matters to ORS and specifically should be penalized for failing to disclose the findings contained in the written report (the “Bechtel Report”) prepared by Bechtel Power Corporation (“Bechtel”).

SCE&G is informed and believes that these allegations are unfounded and that ORS in fact was aware of the findings the Bechtel Report and of the challenges and obstacles faced by the NND Project long before the Westinghouse bankruptcy filing. SCE&G intends to show, among other things, that even though it was fully aware of these challenges and obstacles, ORS signed the settlement agreements and urged the Commission to continue to support the continued construction of the NND Project because of the anticipated benefits to SCE&G’s customers from doing so.

The facts related to ORS’s knowledge of these matters are uniquely within the possession of ORS its employees and former employees and those who interacted with them and the Project.

Accordingly, it is both necessary and appropriate for SCE&G to explore these matters through depositions of those employees and former employees.

In addition, ORS and other parties have alleged or are anticipated to allege constitutional defects in the Base Load Review Act or that the Base Load Review Act was flawed as a matter of public policy. These allegations are inconsistent with the public positions taken by ORS and other parties over nearly a decade in multiple public contexts. Those contexts include reports, presentations, meetings and other communications and interactions with legislative groups and individuals, regulatory groups, trade group, electric suppliers, and other groups and individuals. SCE&G would show that ORS was intimately involved in the drafting of the Base Load Review Act and supported it wholeheartedly. ORS's recently discovered constitutional objections to that act are in fact groundless.

The employees of former employees whose depositions are sought to be taken are:

1. C. Dukes Scott --Mr. Scott is the former Executive Director of ORS.
2. Nanette S. Edwards --Ms. Edwards is the former Deputy Executive Director of ORS and current Interim Executive Director of ORS.
3. Allyn H. Powell --Ms. Powell is the former Associate Program Manager in the Electric Department of ORS, with responsibilities for oversight of the NND Project.
4. Gary C. Jones, P.E., President of Jones Partners, Ltd, and engineering expert retained by ORS to provide oversight related to the NND Project.
5. M. Anthony James, P.E., former Director of New Nuclear Development for ORS and currently Director of Energy Policy.

6. Gene Soult, Senior Research Analysis, ORS who was involved in oversight of the NND Project.
7. Michael Couick, President and Chief Executive Officer of the Electric Cooperatives of South Carolina.
8. Lonnie Carter, former Chief Executive Officer of the Public Service Authority of South Carolina.
9. John Flitter, former Director of Electric and Gas Regulation for ORS
10. Marion Cherry, Santee Cooper site representative for V.C. Summer Units 2 & 3
11. Michael Crosby, Santee Cooper Senior Vice President of Nuclear Energy
12. Jack F. Wolfe, Jr., Member of the Santee Cooper Board of Directors

In support of this Request, SCE&G states that they seek to establish the following facts, among others, by deposing these individuals:

- The disclosure of the Bechtel Report and drafts of it to third parties by parties associated with Santee Cooper:
- The date on which ORS first learned of the Bechtel Report and the findings set forth therein and how ORS learned of it;
- ORS's knowledge of the Bechtel Report and its findings prior to the hearing held by this Commission in Docket No. 2017-223-E and the settlement agreement that ORS entered into in that docket;
- ORS's knowledge of the challenges and issues surrounding the NND Project prior to the hearing held by this Commission in Docket No. 2017-223-E and the settlement agreement that ORS entered into in that docket;

- ORS's knowledge of the challenges and issues surrounding the NND Project prior to Westinghouse Electric Company, LLC ("Westinghouse") filing for bankruptcy;
- The veracity of ORS's current claim that the challenges and issues surrounding the NND Project had not been disclosed or known to it prior to Westinghouse filing for bankruptcy;
- The veracity of ORS's current claim that the challenges and issues surrounding the NND Project were unknown to it prior to Westinghouse filing for bankruptcy;
- The identities of the entities and individuals that influenced ORS to represent as it did its lack of knowledge concerning the challenges and issues surrounding the NND Project prior to Westinghouse filing for bankruptcy;
- ORS's support for the NND Project prior to the date on which Westinghouse filed for bankruptcy;
- ORS's role in the drafting and adopting the Base Load Review Act, S.C. Code Ann. §§ 58-33-210, *et seq.* (the "BLRA");
- ORS's understanding and beliefs regarding the BLRA's legality and constitutionality at the time it was adopted;
- ORS's understanding and beliefs regarding the BLRA's legality and constitutionality between the time it was adopted and the time that the NND Project was abandoned;
- ORS's oversight of the NND Project;

- The scope and findings of ORS's investigation into the fair and reasonable nature of the request for rate relief that it made in Docket No. 2017-307-E.

The scope of the depositions will extend to all discoverable information in the possession of these witnesses and will not be restricted by this limited statement of relevant matters which is provided to the Commission for the sole purpose of establishing the great necessity for these depositions to move forward. Additional depositions will likely be required, and will be the subject of future requests under 10 S.C. Code of Reg. Ann. R. 103-834.

WHEREFORE, SCE&G respectfully requests that the Commission find that this Request is meritorious, and that it issue an order permitting SCE&G to orally depose the individuals identified herein on the topics identified herein at a time and place that is mutually agreeable to all parties to this action.

Respectfully submitted,

/s/ Belton T. Zeigler

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